OFFICIAL FILE ILLINOIS COMMERCE COMMISSION

ORIGINAL

STATE OF ILLINOIS ILLINOIS COMMERCE COMMISSION

| 11. | 4013 |
|----------|------------|
| COMMERCE | COMMISSION |

| ILLINOIS DEPARTMENT OF COMMERCE AND |) | 5001 MOA -2 15 4: 01 |
|---|---|-----------------------------------|
| ECONOMIC OPPORTUNITY |) | Docket No. OF HIEF CLERK'S OFFICE |
| |) | Docket No. 074 MET CLERK SOFT TOL |
| Approval of its Energy Efficiency Portfolio and Plan |) | 07-0541 |
| Pursuant to Section 12-103(f) of the Public Utilities Act |) | 0 (-0.04) |

PETITION

The Illinois Department of Commerce and Economic Opportunity ("the Department") hereby requests approval of its Energy Efficiency Portfolio and Plan ("Portfolio") pursuant to 220 ILCS 5/12-103(f) of the Public Utilities Act ("PUA"). The Department agrees to accept service by electronic means as provided in 83 Ill. Adm. Code 200.1050. In support of its request, the Department states as follows:

- 1. In accordance with recently passed legislation, P.A. 95-0481, the Department is required to submit an Energy Efficiency Portfolio in the manner prescribed by new Section 12-103 of the PUA. 220 ILCS 5/12-103. Specifically, 12-103(e) requires that the details of measures implemented by the Department shall be submitted by the Department to the Commission in connection with the utility's filing regarding the energy efficiency and demand response measures that the utility implements. 220 ILCS 13-103(e). Section 12-103(f) requires that, by no later than November 15, 2007, each electric utility shall file an Energy Efficiency and Demand-Response Portfolio with the Illinois Commerce Commission ("Commission"), to meet the energy efficiency and demand-response standards for 2008 through 2010. Accordingly, on or before November 15, 2007, the Department will submit its Portfolio in support of the relief being sought by this Petition.
- 2. This Petition is being filed in advance of the Portfolio in order to allow for appropriate notification to be given to municipalities served by the electric utilities in whose

service territories the Department's Portfolio will be administered. This is being done to facilitate the compressed schedule contemplated by the legislation.

- 3. The Portfolio will identify cost-effective energy efficiency measures which, together with those measures administered by the electric utilities are designed to meet the incremental annual energy savings goals identified in Section 12-103(b).
- 4. The Portfolio will also be filed in accordance with Section 12-103(e). Specifically, the Department will implement 25% of the energy efficiency measures approved by the Commission. The electric utilities will implement 100% of the demand-response measures and the remaining 75% of the energy efficiency measures, which will be set forth specifically in their respective filings pursuant to the legislation.
- 5. In support of the goals and objectives of the Section 12-103 of the PUA, the electric utilities will also offer a cost recovery mechanism by which the associated costs and expenses with regard to the energy efficiency and demand-response measures will be recovered. As provided by Section 12-103(e), the electric utilities' tariff will allow for the electric utilities to recover the costs estimated by the Department with regard to its energy efficiency programs.
- 6. The Portfolio takes into account the provisions set forth in Section 12-103(d), such that the Department will reduce the amount of energy efficiency measures implemented in any single year. The amount of the measures to be reduced is the amount necessary to limit the estimated average increase paid by retail customers to: (1) in 2008, no more than 0.5% of the amount paid per kilowatt hour by those customers during the year ending May 31, 2007; (2) in 2009, the greater of an additional 0.5% of the amount paid per kilowatt hour by those customers during the year ending May 31, 2008 or 1% of the amount paid per kilowatt hour by those customers during the year ending May 31, 2008 or 1% of the amount paid per kilowatt hour by those customers during the year ending May 31, 2007; and (3) in 2010, the greater of an additional

0.5% of the amount paid per kilowatt hour by those customers during the year ending May 31, 2009 or 1.5% of the amount paid per kilowatt hour by those customers during the year ending May 31, 2007. The statute also prescribes rate impact limitations for years beyond 2010 but they are not germane with respect to this Portfolio.

7. In support of the Portfolio, the Department will submit certain testimonies and exhibits that will both identify the energy efficiency measures to be implemented, and the process by which that implementation will take place.

WHEREFORE, the Department requests that the Commission approve the Portfolio.

Dated: November 5, 2007

OFFICIAL SEAL
PATRICIA A. ZUHLKE
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES 10-12-2008

Patricia P. Zulke

Respectfully submitted,

Illinois Department of Commerce and Economic Opportunity

One of its attorneys

David D. Streicker, General Counsel
John C. Knittle, Deputy General Counsel
620 East Adams Street
Springfield Illinois 67201 (2) 700

Springfield, Illinois 67201 62701 Ph: 217/524-5696

Fax: 217/782-0038

david.streicker@illinois.gov john.knittle@illinois.gov

VERIFICATION

I, Jonathan A. Feipel, first being duly sworn upon oath depose and say that I am Manager of the Energy Division of the Department of Commerce and Economic Opportunity; that I have read the above and foregoing petition by me subscribed and know the contents thereof; that said contents are true in substance and in fact, except as to those matters stated upon information and belief, and as to those, I believe same to be true.

Subscribed and sworn to before me this 5th day of Natural 2007

STATE OF ILLINOIS ILLINOIS COMMERCE COMMISSION

| ILLINOIS DEPARTMENT OF COMMERCE AND ECONOMIC OPPORTUNITY |) | Docket No. 07- | |
|---|---|----------------|---|
| Approval of its Energy Efficiency Portfolio and Plan Pursuant to Section 12-103(f) of the Public Utilities Act |) | Docket No. 07- | - |

NOTICE OF FILING

TO: Chief Clerk's Office
Illinois Commerce Commission
527 East Capitol Avenue
Springfield, Illinois 62701

PLEASE TAKE NOTICE that today I have filed with the Illinois Commerce

Commission the attached Petition, on behalf of the Illinois Department of Commerce and

Economic Opportunity (Department), a copy of which is attached and hereby served upon you.

The Department agrees to accept service by electronic means as provided in 83 Ill. Adm. Code
200.1050.

Respectfully submitted,

Illinois Department of Commerce and Economic Opportunity

One of its attorneys

David D. Streicker, General Counsel John C. Knittle, Deputy General Counsel

620 East Adams Street Springfield, Illinois 67201

Ph: 217/524-5696 Fax: 217/782-0038

david.streicker@illinois.gov john.knittle@illinois.gov

Dated: November 5, 2007

CERTIFICATE OF SERVICE

I, John C. Knittle, one of the attorneys for Petitioner, hereby certify that I served a copy of the Petition upon those listed on the attached Notice of Filing on November 5, 2007 via hand delivery.

Jøhn C. Knittle

One of the Attorneys for Petitioner

Illinois Department of Commerce and Economic Opportunity

620 East Adams Street Springfield, Illinois 67201

Ph: 217/524-5696

Fax: 217/782-0038

john.knittle@illinois.gov